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In The Matter Of:
UNITED STATES OF AMERICA, V
JAMES GATTO ET AL.,

October 2, 2018

Southern District Court Reporters

UNITED STATES OF AMERICA, V
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<p>la2dgd2 Opening - Mr. Mark Page 49</p> <p>1 so they would attend Adidas schools, promote the Adidas brand, 2 in the hopes that when these kids made it to the NBA, then the 3 defendants could make millions off of them. 4 But the defendants knew that the only way to make 5 their scheme work, the only way for the defendants to get any 6 return on their investment, was to keep the payments secret, 7 because in the world of college basketball these payments were 8 prohibited. Colleges could not, and would not, issue athletic 9 scholarships to players whose families had accepted money. And 10 if the players didn't get these scholarships and if they 11 couldn't play college basketball and if they weren't able to 12 wear the Adidas brand and in games on national television, the 13 defendants couldn't make any money off of them. 14 So to make their scheme work, to make a profit, the 15 defendants did not simply have to make payments to the families 16 of student athletes. They needed to conceal these payments 17 from the schools. They had to lie about them in fake invoices. 18 They had to hide them using secret second phones and cash 19 handoffs in hotel rooms and parking lots, all to make sure that 20 the universities did not know, so that the schools would issue 21 athletic scholarships even though those players were no longer 22 eligible to compete. 23 And the defendants did this knowing that if the 24 payments were ever discovered, the players and the schools 25 would be in big trouble, and subject to very significant</p>	<p>la2dgd2 Opening - Mr. Mark Page 51</p> <p>1 So, what will the evidence show? You will learn that 2 top colleges, like the University of Louisville, issue 3 scholarships each year to student athletes in a wide variety of 4 sports. The primary qualification for receiving such a 5 scholarship is that the student athletes are eligible to 6 compete, because, as you'll learn, schools, like Louisville, 7 participate in a National Collegiate Athletic Association, or 8 NCAA. It is an organization that oversees college sports 9 across the country. And all members, including places like 10 Louisville, agree to follow the same rules. And the most 11 fundamental rule there is is that only amateur athletes are 12 allowed to compete. And you'll learn that what this means is 13 that the players can't be paid and their families can't try to 14 be paid either, regardless of whether their child knows or 15 doesn't know. 16 And you'll learn that universities must follow this 17 rule, because a lot is riding on it. The university's failure 18 to follow this cardinal rule can result in all sorts of 19 financial penalties, including fines, loss of revenue, 20 probation, even the loss of a national championship. Each of 21 these three defendants knew all about this because each worked 22 in the hypercompetitive sports business. Jim Gatto was the 23 director of global sports marketing for Adidas. Adidas is a 24 billion-dollar, German sportswear company, but it was a 25 smalltime player in basketball, where Nike controlled most of</p>
<p>la2dgd2 Opening - Mr. Mark Page 50</p> <p>1 potential harms, including financial penalties. 2 This is what corruption in college basketball looks 3 like. 4 And, ladies and gentlemen, when you lie, cheat, and 5 deceive to get a college to issue financial aid, that is a 6 crime. And it is what this case is about, because over the 7 course of several years, the defendants lied, cheated, and 8 deceived, knowing that universities would issue athletic 9 scholarships to student athletes who were not eligible to pay 10 for them, who were not eligible for them because the defendants 11 had paid those students' families. And that is why we are here 12 today. 13 Ladies and gentlemen, this opening statement is the 14 government's opportunity to give you a roadmap of the evidence 15 that you are going to see and hear in this case. I want to use 16 this opportunity to tell you in a little more detail how this 17 scheme to pay the families of student athletes worked and how 18 the schools were defrauded, how the defendants' greed led them 19 to make these corrupt payments to get students to play 20 basketball for Adidas-sponsored colleges. And I'm going to do 21 that in three parts. First, I'm going to talk about what the 22 evidence is going to show; second, I'm going to give you a 23 brief description of the charges; and, third, I'm going to talk 24 about all the different types of evidence that will prove that 25 these defendants are guilty beyond a reasonable doubt.</p>	<p>la2dgd2 Opening - Mr. Mark Page 52</p> <p>1 the market. Growing and marketing the basketball part of 2 Adidas' business was Gatto's job, and he was in charge of a 3 multimillion-dollar budget. To do that, Gatto and Adidas 4 lavishly sponsored high school and college basketball teams, 5 giving them Adidas clothes and shoes to wear, in an effort to 6 win loyalty of young players who might some day be a star. 7 Gatto was in charge of identifying and recruiting top 8 basketball talent and convincing young players that when they 9 turn pro, they should enter into a marketing agreement with 10 Adidas, which was known in the industry as a shoe deal. It was 11 his job to try to find the next Michael Jordan or Kobe Bryant, 12 LeBron James. Gatto worked to develop relationships with top 13 players and their families starting when they were young, 14 sometimes as early as high school. 15 In fact, Gatto oversaw an entire team at Adidas who 16 worked at developing relationships with these players. Merl 17 Code was a critical member of that team. Code had worked at 18 Nike for years, and Gatto had recruited him to compete in the 19 shoe wars, Adidas' rivalry with the other largest sneaker 20 companies, like Nike and Under Armour. And you'll learn that 21 to win the shoe wars, Gatto and Code and others sought an edge. 22 You'll also learn that Gatto and Code worked with 23 Christian Dawkins to make some of those secret payments to the 24 families of student athletes. Dawkins was a young, aspiring 25 business manager of professional athletes. Dawkins had worked</p>

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<p>IA28GAT3 Opening - Ms. Donnelly Page 65</p> <p>1 opportunity to talk to you again. But between now and then, I 2 am going to ask that you do three things: 3 First, pay close attention to the evidence; 4 Second, follow Judge Kaplan's instructions on the law; 5 and 6 Third, use your common sense. 7 And if you do those three things, then the government 8 will get a fair trial, the defendants will get a fair trial, 9 and you will come to the only conclusion that is consistent 10 with all of the evidence in this case: that these three 11 defendants -- James Gatto, Merl Code, and Christian Dawkins -- 12 acted corruptly in paying the families of student-athletes and 13 in deceiving schools, and that they are guilty as charged. 14 THE COURT: Thank you, counsel. 15 Mr. Schachter. 16 MS. DONNELLY: You are actually going to hear from me, 17 your Honor. 18 THE COURT: Good. 19 MS. DONNELLY: Good morning. 20 My name is Casey Donnelly, and I am working with my 21 colleague Mike Schachter, and we are here on behalf of Jim 22 Gatto. 23 I would like to start by thanking you today for being 24 here. I know that a month-long jury trial is not anyone's idea 25 of a great time, and whatever your plans were for the next</p>	<p>IA28GAT3 Opening - Ms. Donnelly Page 67</p> <p>1 of the federal government or the state government. It's not 2 associated with law enforcement. So what is it? 3 The NCAA is just a voluntary organization made up of 4 administrators who help organize college basketball. It's like 5 a kid's after school soccer league, except if that soccer 6 league also brought in a billion dollars a year. 7 And the rules that the NCAA writes down and puts in 8 its rule book, those aren't laws. They are the equivalent of 9 your rules in your apartment building. Yes, there are 10 consequences if you break them, but you have not committed a 11 crime. 12 The NCAA's rule that college athletes and their 13 families may not receive anything of value in connection with 14 their son's decision about where to go to college, that's also 15 not a law. In fact, we know that. If a kid's grandfather is a 16 diehard Michigan alum and he tells his grandson, if you go to 17 Michigan, I will buy you a new car to bring to campus. Grandpa 18 hasn't committed a crime. It's just awesome for the kid who 19 gets a new car. And if grandpa agrees to fly the kid or fly 20 the kid's parents to visit him at Michigan every month, that 21 too, perfectly appropriate. Although maybe less awesome for 22 the kid. 23 A supposed crime here isn't a violation of NCAA rules, 24 because it's not against the law to violate the NCAA's rules. 25 The crime alleged is federal wire fraud and conspiracy to</p>
<p>IA28GAT3 Opening - Ms. Donnelly Page 66</p> <p>1 month you have had to make significant adjustments to be here. 2 You should know that we recognize that and we appreciate it. 3 Ladies and gentlemen, I want to start today by 4 acknowledging that the story the government just told may have 5 made you feel like something not quite right happened here. 6 The government made it seem like this is going to be a trial 7 about illicit payments and backroom dealings and the knowing 8 violation of NCAA rules. And so I want to start today right 9 from the beginning to let you know that NCAA rules were broken. 10 Jim and Adidas helped out financially a few families whose sons 11 are among the most talented athletes in America. That 12 happened. We are not going to waste your time pretending that 13 these families did not get funds. 14 But, ladies and gentlemen, if all the government had 15 to prove was that Jim helped these families, we wouldn't be 16 having a month-long trial. But that's not what they have to 17 prove. Jim is not charged with NCAA rule breaking. He has 18 been charged with two federal offenses: Wire fraud and 19 conspiracy to commit wire fraud against the universities. And 20 that, ladies and gentlemen, that we are going to contest. We 21 are going to fight like mad over the next month in an effort to 22 help you understand that even if Jim broke an NCAA rule, that 23 is a far cry from committing wire fraud. 24 You see, the NCAA's rules are not the laws of this 25 country. The NCAA is not the U.S. Congress. It's not a part</p>	<p>IA28GAT3 Opening - Ms. Donnelly Page 68</p> <p>1 commit wire fraud against the universities. That's a very 2 different thing. You see, in order to make that case, the 3 government is required to prove to you beyond a reasonable 4 doubt -- 5 THE COURT: Ms. Donnelly, the purpose of an opening 6 statement is to explain to the jury what the evidence is going 7 to be and not to have the lawyer do the judge's job. So let's 8 get on to it. 9 MS. DONNELLY: OK. 10 The question that is going to matter in this case is 11 not what happened, but why it happened. What is in Jim's mind? 12 What he is thinking when he helped out these families? Was he 13 hoping that his actions would cause harm and injury to these 14 schools? Was he trying to harm these schools? Or, was he 15 trying to help them? 16 Ladies and gentlemen, I submit to you that the 17 evidence will show that Jim had no intention of trying to harm 18 these universities, but in fact was trying to help them. 19 The evidence is going to show that from Jim's 20 perspective, this is a win-win-win situation. It's a win for 21 the universities who end up with top-ranked plays who hopefully 22 lead the universities to basketball glory. It's a win for 23 Jim's employer, Adidas, which is the corporate sponsor of these 24 universities and which would benefit from being associated with 25 a winning basketball team. And it's a win for these kids and</p>

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<p>IA28GAT3 Opening - Ms. Donnelly Page 69</p> <p>1 their families who have a little something extra in their 2 pocket to tied them over until their son is able to play 3 professionally. 4 Jim is not here to swindle these schools out of 5 scholarships. What Jim wants is exactly what the universities 6 want. A nationally renowned basketball program, one that has 7 the entire campus cheering, that has the alumni pleased and 8 donating. And yes, one that would also lead to the sale of 9 more Adidas-brand school sweatshirts. 10 And the evidence will show that the universities were 11 desperate to get these athletes to their school. You see, the 12 evidence will show that these kids bring in millions of dollars 13 in revenue. And the financial importance of basketball to 14 these schools, that's the part of the story that the government 15 didn't tell you about. But in fact, evidence concerning the 16 financial realities of college basketball, that is key to 17 understanding this world that Jim and the other folks in this 18 case live in. 19 The reason that the government didn't talk to you 20 about the money that gets made from college basketball is 21 because when you understand how important basketball is to the 22 universities, to both their bottom line and also their sense of 23 school identity, their sense of school spirit, once you 24 understand that, you realize that what Jim was trying to do 25 here was not to harm these schools but, rather, to help them</p>	<p>IA28GAT3 Opening - Ms. Donnelly Page 71</p> <p>1 these kids' athletic talents. 2 For example, you are going to learn during this trial 3 that in 2017, Louisville, one of the alleged victims in this 4 case, its men's basketball program brought in nearly \$45 5 million in revenue. Its head basketball coach, Rick Pitino, 6 made \$7 million a year. In fact, coach Pitino made more money 7 coaching at Louisville than he did when he coached the New York 8 Knicks, a professional NBA team. 9 The men's basketball team at the University of Kansas 10 brought in more than \$18 million in 2017. Kansas pays its head 11 basketball coach, Bill Self, \$5 million a year. 12 And each of the apparel companies, Nike, Under Armour, 13 Adidas, they are able to sell millions of dollars in 14 merchandise -- T-shirts, jerseys, sneakers, you name it. 15 The kids on the court, however, the ones whose blood, 16 sweat and tears is making this game a billion dollar industry, 17 they are not allowed to earn a dime. And the NCAA, those 18 bureaucrats who write the rule book and have decided that the 19 athletes themselves don't get a share -- 20 MR. MARK: Objection. 21 THE COURT: Sustained. 22 MS. DONNELLY: The NCAA made more than a billion 23 dollars in 2017. 24 Ladies and gentlemen, we are here today because the 25 government alleges that Jim Gatto committed two federal</p>
<p>IA28GAT3 Opening - Ms. Donnelly Page 70</p> <p>1 recruit the kids that they very much wanted. 2 You realize that Jim didn't commit wire fraud or 3 conspiracy to commit wire fraud against these universities. 4 The evidence will show that he is just a guy who is doing his 5 job and trying to keep the universities happy. 6 So let me give you a preview of what the government 7 didn't. Let me explain to you a little bit about what the 8 evidence will show about Jim's world, this world of college 9 basketball. 10 We are going to elicit evidence during this trial that 11 will demonstrate that a successful basketball program is the 12 equivalent of a winning lottery ticket. A university that has 13 a successful basketball program brings in money from all the 14 viewers who watch it on television, whether that be on ESPN or 15 whatever the channel is, that is not only the fans of the 16 school's team but also the fans of the opposing team's side. 17 In addition, the universities bring in money from ticket sales, 18 from all the fans who pack the stadium. They bring in money 19 from merchandise. Even from food. Actually, you guys are 20 probably all familiar with those seven dollar sodas and 16 21 dollar hamburgers that are for sale at sporting events. That's 22 money in the university's pocket. 23 The point is the evidence is going to show that these 24 universities want these kids to come to their schools. Why? 25 Because the universities stand to make serious money off of</p>	<p>IA28GAT3 Opening - Ms. Donnelly Page 72</p> <p>1 offenses when Adidas took a tiny portion of the money that it 2 brought in and shared it with the families of the players on 3 the court. 4 Let me give you an example. The government contends 5 that Jim committed two felonies because he purportedly agreed 6 to send \$40,000 to the family of Dennis Smith, Jr. This is a 7 family that lived in public housing down in Fayetteville, North 8 Carolina. 9 MR. MARK: Objection. 10 THE COURT: Sustained. This is not appropriate. 11 MR. MARK: Your Honor, we have actually never seen 12 this PowerPoint presentation before. 13 THE COURT: I am not seeing a PowerPoint presentation 14 at all. 15 MR. DISKANT: The jury can see it. 16 THE COURT: Is the jury seeing a PowerPoint? 17 MS. DONNELLY: Yes, they are. 18 THE COURT: Counsel, in the robing room. 19 (In robing room) 20 THE COURT: When did this PowerPoint start? 21 MS. DONNELLY: The PowerPoint has been projected to 22 the jurors from the beginning of the opening. 23 THE COURT: Has the government seen it in advance? 24 MR. SCHACHTER: We understood it was presented on the 25 court's screen as well. We had no idea that it was not.</p>

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<p>Bowen Senior - direct Page 528</p> <p>1 Q. How long have you and Ms. Malacke been together?</p> <p>2 A. 20 something years.</p> <p>3 Q. Does Ms. Malacke work?</p> <p>4 A. No.</p> <p>5 Q. Did she work at one point?</p> <p>6 A. Yes.</p> <p>7 Q. What kind of work?</p> <p>8 A. Substitute teacher.</p> <p>9 Q. Why does she no longer work?</p> <p>10 A. She has some health issues.</p> <p>11 Q. Do you and Ms. Malacke have any children?</p> <p>12 A. Yes, we have one.</p> <p>13 Q. A boy or a girl?</p> <p>14 A. A boy.</p> <p>15 Q. How old he is?</p> <p>16 A. Just turned 20.</p> <p>17 Q. What is his name?</p> <p>18 A. Brian Bowen II.</p> <p>19 Q. Does he go by any nicknames?</p> <p>20 A. Tugs.</p> <p>21 Q. Can we call him Tugs for purposes of your testimony today?</p> <p>22 A. Sure.</p> <p>23 Q. Is Tugs presently in college?</p> <p>24 A. No, he is not.</p> <p>25 Q. Why not?</p>	<p>la4dgat4 Bowen Senior - direct Page 530</p> <p>1 A. Yes. I was the main person in training, yes, full-time.</p> <p>2 Q. Do you have a background yourself in basketball?</p> <p>3 A. I played basketball and I was a coach of high school</p> <p>4 basketball.</p> <p>5 Q. Did there come a point when you and Tugs began thinking</p> <p>6 about the prospect of him playing professionally?</p> <p>7 A. Well, it's every kid's dream. I mean, you know, when they</p> <p>8 first start playing basketball, everybody wants to go to the</p> <p>9 NBA.</p> <p>10 Q. OK. And how about the NCAA?</p> <p>11 A. That was definitely a goal of ours as well.</p> <p>12 Q. And why was the NCAA a goal?</p> <p>13 A. Well, I mean, if he got a college scholarship to go play</p> <p>14 basketball somewhere, that would definitely take a burden off</p> <p>15 of me. And the NCAA is like the main proving ground for any</p> <p>16 athlete trying to play basketball for NBA scholars.</p> <p>17 Q. Through your son, have you gained exposure to the NCAA?</p> <p>18 A. Yes.</p> <p>19 Q. Have you gained exposure to its rules?</p> <p>20 A. Yes, I have.</p> <p>21 Q. Can you just tell us a little bit, without getting into the</p> <p>22 rules themselves, about how you gained exposure to NCAA rules?</p> <p>23 A. There has been parent conferences and stuff like that that</p> <p>24 I've attended throughout the years, and they tell you the NCAA</p> <p>25 rules. And, of course, my nephew also played college</p>
<p>la4dgat4 Bowen Senior - direct Page 529</p> <p>1 MR. DISKANT: Your Honor, perhaps now would be a time</p> <p>2 for us to just take a moment.</p> <p>3 THE COURT: OK. We'll take 15 minutes.</p> <p>4 THE CLERK: All rise.</p> <p>5 (Recess)</p> <p>6 THE CLERK: All rise.</p> <p>7 (Jury not present)</p> <p>8 THE COURT: OK. Let's go.</p> <p>9 (Jury present)</p> <p>10 THE CLERK: Please be seated, everyone.</p> <p>11 THE COURT: OK. The jurors all are present. The</p> <p>12 defendants are present, as they have been throughout.</p> <p>13 Mr. Bowen, you are still under oath.</p> <p>14 And there is a pending question.</p> <p>15 MR. DISKANT: With the Court's permission, I may just</p> <p>16 withdraw that and move on.</p> <p>17 THE COURT: All right.</p> <p>18 BY MR. DISKANT:</p> <p>19 Q. Mr. Bowen, what is your son currently doing?</p> <p>20 A. He's playing professional basketball in Australia.</p> <p>21 Q. When did your son first start playing basketball?</p> <p>22 A. He's played his whole life, basically since he was probably</p> <p>23 3/4, his whole life.</p> <p>24 Q. Have you been involved at all in your son's training and</p> <p>25 development as a basketball player?</p>	<p>la4dgat4 Bowen Senior - direct Page 531</p> <p>1 basketball, and I was involved in his process also. So --</p> <p>2 Q. And you are referring to Jason Richardson?</p> <p>3 A. Yes.</p> <p>4 Q. Through that exposure, through some of those parent</p> <p>5 conferences and the like, do you know whether the NCAA has</p> <p>6 rules that are relevant to you?</p> <p>7 A. Yes, of course.</p> <p>8 Q. Tell us about some of the rules you believe are relevant to</p> <p>9 you.</p> <p>10 MR. SCHACHTER: Objection, your Honor. Best evidence.</p> <p>11 THE COURT: Well, what is it offered for?</p> <p>12 MR. DISKANT: The defendant's knowledge -- excuse me.</p> <p>13 The witness' knowledge and understanding.</p> <p>14 THE COURT: For that purpose.</p> <p>15 Members of the jury, obviously, to the extent the</p> <p>16 rules themselves are relevant and material, that is significant</p> <p>17 to the case. The detail, the wording and so forth, they will</p> <p>18 in one way or another, no doubt, be before you at some point.</p> <p>19 But this is offered to understand what this gentleman did, what</p> <p>20 he knew when he did it, and why he did it.</p> <p>21 MR. DISKANT: And with the Court's permission, let me</p> <p>22 withdraw my prior question and ask a slightly more focused one.</p> <p>23 BY MR. DISKANT:</p> <p>24 Q. Mr. Bowen, to your knowledge, under NCAA rules, are you, as</p> <p>25 the parent of a prospective student athlete, allowed to receive</p>

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<p>la4dgate Bowen Senior - direct Page 532</p> <p>1 payment in connection with your son?</p> <p>2 A. No, I'm not allowed to receive payment.</p> <p>3 Q. To your knowledge, what might the consequences be for your</p> <p>4 son of you receiving such a payment?</p> <p>5 A. He would -- it would deem him ineligible.</p> <p>6 Q. And to your knowledge, does it matter whether or not your</p> <p>7 son knew that you had accepted the payment?</p> <p>8 A. No, it doesn't matter.</p> <p>9 Q. Let's talk a little bit about Tugs' playing career. Did he</p> <p>10 play for a high school team?</p> <p>11 A. Yes, he did.</p> <p>12 Q. And in addition to playing for a high school team, did he</p> <p>13 play for any additional teams?</p> <p>14 A. He played you could call it club basketball, AAU</p> <p>15 basketball.</p> <p>16 Q. You mentioned "AAU." What is AAU?</p> <p>17 A. It is amateur basketball where kids from mainly the same</p> <p>18 area or same state or whatever, they travel for a team and they</p> <p>19 go to different venues and play as a team against --</p> <p>20 competitively against other teams that have been brought</p> <p>21 together in the same manner, usually sponsored by like a shoe</p> <p>22 company, mostly circuits -- call it circuits.</p> <p>23 Q. So sort of like a little league?</p> <p>24 A. Yeah, kind of, basketball.</p> <p>25 Q. What was the first AAU team that Tugs played for?</p>	<p>la4dgate Bowen Senior - direct Page 534</p> <p>1 A. Yes.</p> <p>2 Q. What was that connection?</p> <p>3 A. He was -- like Dorian was his brother. He was like the</p> <p>4 administrator of that team, or over the team.</p> <p>5 Q. OK. And how did Tugs come to play for Dorians Pride?</p> <p>6 A. Christian was asking -- you know, Tugs was one of the top</p> <p>7 players in the city and state, so, you know, he wanted him to</p> <p>8 play for him.</p> <p>9 Q. How old was Tugs, approximately, or what grade was he in</p> <p>10 when he played for Dorians Pride?</p> <p>11 A. I would say ninth grade, I think it was, the ninth grade.</p> <p>12 Q. Did there come a point where you and Mr. Dawkins discussed</p> <p>13 the possibility of Tugs playing for a different team?</p> <p>14 A. Yes.</p> <p>15 Q. When was that?</p> <p>16 A. That would be when Tugs was like probably the beginning --</p> <p>17 going into his sophomore year, maybe in his sophomore year.</p> <p>18 Q. Like 2015?</p> <p>19 A. Yes.</p> <p>20 Q. And can you tell us a little bit about how, if at all, Tugs</p> <p>21 had developed as a basketball player between when he played for</p> <p>22 Dorians Pride and his sophomore year?</p> <p>23 A. He had grown. He was in middle school, ninth grade, he</p> <p>24 probably was 6'3", 6'2" and he was a very efficient shooter and</p> <p>25 ball handler for a guy his size. And by the time like, you</p>
<p>la4dgate Bowen Senior - direct Page 533</p> <p>1 A. Jason Richardson Ballers.</p> <p>2 Q. Is that the same Jason Richardson you have been telling us</p> <p>3 about?</p> <p>4 A. Yes.</p> <p>5 Q. And do you recall approximately how old Tugs was when he</p> <p>6 played for the Jason Richardson Ballers?</p> <p>7 A. Oh, man. Fifth grade, maybe, fourth/fifth grade.</p> <p>8 Q. Over the course of time, did your son play for additional</p> <p>9 AAU teams?</p> <p>10 A. Yes, he did.</p> <p>11 Q. What are some of those teams?</p> <p>12 A. He played for King James. He played for Mean Streets,</p> <p>13 Michigan Mustangs, Dorians Pride. I think that's pretty much</p> <p>14 it.</p> <p>15 Q. Let's start with the last one you mentioned, Dorians Pride.</p> <p>16 You told us previously that you know someone named Christian</p> <p>17 Dawkins?</p> <p>18 A. Yes.</p> <p>19 Q. How are you familiar with Mr. Dawkins?</p> <p>20 A. We're from the same hometown. You know, Dawkins' family,</p> <p>21 his daddy is a really renowned kind of famous kind of coach at</p> <p>22 a really good school. Christian also played at that school,</p> <p>23 and that's it.</p> <p>24 Q. OK. Did he have any connection with the team, that Dorians</p> <p>25 Pride, that you were telling us about a moment ago?</p>	<p>la4dgate Bowen Senior - direct Page 535</p> <p>1 know, into the ninth grade, ninth grade year summer, he</p> <p>2 probably had grown another three inches at least at that time,</p> <p>3 and, you know, he was getting, you know, more national</p> <p>4 attention, just like state attention. So, he started getting</p> <p>5 ranked.</p> <p>6 Q. So let's talk about that last thing you just said,</p> <p>7 rankings.</p> <p>8 Are there rankings for high school players?</p> <p>9 A. Yes, there is?</p> <p>10 Q. How high was Tugs ranked?</p> <p>11 A. At some point, as high as top ten in the country.</p> <p>12 Q. Now, you mentioned that as of his sophomore year</p> <p>13 Mr. Dawkins talked to you about the possibility of Tugs joining</p> <p>14 another AAU team. What team was that?</p> <p>15 A. The Michigan Mustangs.</p> <p>16 Q. And in that conversation, did Mr. Dawkins tell you why he</p> <p>17 thought your son should join the Michigan Mustangs?</p> <p>18 A. Yes. First, it was a good circuit, and by the players</p> <p>19 therein, there was possible money to be gained from him playing</p> <p>20 for me.</p> <p>21 Q. Did he explain how there was possible money to be gained if</p> <p>22 your son were to play for the Michigan Mustangs?</p> <p>23 A. Basically, Adidas would pay it.</p> <p>24 Q. Adidas would pay whom?</p> <p>25 A. Would pay me.</p>

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<p>la4dgate Bowen Senior - direct Page 544</p> <p>1 And the government would offer 311. 2 THE COURT: 311 is received. 3 (Government's Exhibit 311 received in evidence) 4 MR. DISKANT: Ms. Lee, if we could start on page 1. 5 And if you could highlight up top the account name, "In Your 6 Eye Sports Inc." And just below that, the name of the 7 signatory, Christopher W. Rivers. 8 And, Ms. Lee, if we can go to page 12, and just blow 9 up that check. 10 Q. Mr. Bowen, do you recognize this check? 11 A. Yes, I do. 12 Q. Did you receive this check? 13 A. Yes, I did. 14 Q. Who gave it to you? 15 A. Chris Rivers. 16 Q. And do you see in the memo line, someone has written "Staff 17 Help." 18 Did you ever provide any staff help for Mr. Rivers? 19 A. No. 20 Q. Did you ever provide any staff help for Adidas? 21 A. No. 22 Q. After your son finished his season on the Michigan 23 Mustangs, did you continue to receive money from Mr. Dawkins? 24 A. Yes. 25 Q. How much?</p>	<p>la4dgate Bowen Senior - direct Page 546</p> <p>1 Q. Did you receive offers from any other AAU teams? 2 A. Yes. 3 Q. Which team or teams? 4 A. Spiece out of Indiana. 5 Q. Is that S-p-i-e-c-e? 6 A. Yes. 7 Q. How much was Spiece offering? 8 A. It was like 18 grand. 9 Q. Who conveyed that offer? 10 A. Christian. 11 Q. Mr. Dawkins? 12 A. Yes. 13 Q. That was more than Mean Streets was offering? 14 A. Yes. 15 Q. Why did you not accept the higher offer? 16 A. I just felt that -- I mean, the first thing is always my 17 son. I felt that the team at Mean Streets and the position 18 that he would be playing was a better fit for him basketball 19 wise. 20 Q. What high school did Tugs play for? 21 A. He played two years in Saginaw, Michigan, where we are 22 from, Arthur Hill High School, and then he played two years in 23 Indiana, La Lumiere High School. 24 Q. So just to be clear, Mr. Bowen, you moved to Indiana? 25 A. Yes.</p>
<p>la4dgate Bowen Senior - direct Page 545</p> <p>1 A. Periodically like 1,500, \$2,000 a month, whatever would 2 come to me. 3 Q. And you indicated a few moments ago that Mr. Dawkins had 4 talked with you about the possibility of representing Tugs one 5 day if he were to become a professional, is that right? 6 A. Yes. 7 Q. Had you made any representations in that regard? 8 A. I knew it was -- I mean, we -- we talked about it. We knew 9 that's what would happen. He would be his representative. 10 Q. Did Tugs play for any AAU teams after his season with the 11 Michigan Mustangs? 12 A. Yes, he did. 13 Q. Who was the next team he played for? 14 A. He played for Mean Streets out of Chicago. 15 Q. And did Mean Streets have an apparel sponsor? 16 A. Nike. 17 Q. Did you receive money in connection with Tugs' decision to 18 play for Mean Streets? 19 A. Yes, I did. 20 Q. How much? 21 A. It was like 5/\$8,000. 22 Q. And what was that money for? 23 A. Just him playing with them. 24 Q. How was the payment made? 25 A. It was cash.</p>	<p>la4dgate Bowen Senior - direct Page 547</p> <p>1 Q. Was La Lumiere -- is La Lumiere a public school or a 2 private school? 3 A. It is a private school. 4 Q. Did your son receive financial aid to attend? 5 A. Yes. 6 Q. In addition to your son's financial aid, did you receive 7 any other payments in connection with your son's decision to 8 attend La Lumiere? 9 A. Yes. 10 Q. From whom? 11 A. From the coach. 12 Q. Who was the coach? 13 A. Shane Heirman. 14 Q. How much money were you receiving from Shane Heirman? 15 A. Like two grand a month. 16 Q. And what were you using the money for? 17 A. Rent and expenses. 18 Q. How did your son come to play for La Lumiere? 19 A. A guy that I know and Christian, of course, knew. A guy 20 from my hometown and also Christian knew, I guess, the coach, I 21 guess. 22 Q. I just want to break that down. It sounds like you said 23 there was a guy you knew and then Christian? 24 A. Christian, yeah. 25 Q. I didn't hear the end of the answer.</p>

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<p>IA48GAT5 Bowen Senior - Direct Page 568</p> <p>1 MR. DISKANT: The government offers 106D-11?</p> <p>2 THE COURT: Received.</p> <p>3 (Government's Exhibit 106D-11 received in evidence)</p> <p>4 Q. Up top Mr. Dawkins says, "After you talk to Rick hit Kenny</p> <p>5 Johnson to set up the visit details." And you say, "OK"?</p> <p>6 A. Yes.</p> <p>7 Q. Who is Rick?</p> <p>8 A. Rick Pitino, the head coach.</p> <p>9 Q. Who is Kenny Johnson?</p> <p>10 A. Kenny is an assistant coach at Louisville.</p> <p>11 Q. Did you speak with Rick Pitino that day?</p> <p>12 A. I think so.</p> <p>13 Q. Leaving aside the date, do you recall talking with Mr.</p> <p>14 Pitino by phone during this time period?</p> <p>15 A. During that period I did.</p> <p>16 Q. Tell us what you recall of that conversation. What did he</p> <p>17 say to you and what did you say to him?</p> <p>18 A. Just, you know, he told me, of course, about Donovan</p> <p>19 leaving and what kind of player he thought my son was, and how</p> <p>20 he thought he could further his career and make him a better</p> <p>21 player and turn him into a long-term pro, basically, NBA</p> <p>22 player.</p> <p>23 Q. During that call with Mr. Pitino, what, if anything, did</p> <p>24 you say about your plan to receive a payment from Adidas?</p> <p>25 A. Nothing.</p>	<p>IA48GAT5 Bowen Senior - Direct Page 570</p> <p>1 phone?</p> <p>2 A. Yeah, they did.</p> <p>3 Q. If we can go back to 106-D-11. This is in the late</p> <p>4 afternoon on the 24th.</p> <p>5 Down later that evening, about 7:00, you text Mr.</p> <p>6 Dawkins, 7:26 to be precise, "Hit me back." "Pick back up."</p> <p>7 And, "Man this Adidas stuff is" -- I will let everyone read it</p> <p>8 for themselves.</p> <p>9 Focusing on the Adidas component, what were you</p> <p>10 referring to, "this Adidas stuff"?</p> <p>11 A. We had previously discussed the money about Adidas, and I</p> <p>12 just wasn't feeling Adidas. I didn't really want to deal with</p> <p>13 Adidas like that.</p> <p>14 Q. Why didn't you want to deal with Adidas?</p> <p>15 A. I felt that -- I had a little animosity in the sense that</p> <p>16 they had, I felt, slighted my son on a spot in the All-Star</p> <p>17 Game, that they invited a lot guys and they didn't invite him,</p> <p>18 and I thought he should have been invited.</p> <p>19 Q. Did there come a point when you and Tugs planned a visit to</p> <p>20 Louisville?</p> <p>21 A. Yes.</p> <p>22 Q. When was the visit scheduled to occur?</p> <p>23 A. 29th, I think.</p> <p>24 Q. May 29?</p> <p>25 A. Yes.</p>
<p>IA48GAT5 Bowen Senior - Direct Page 569</p> <p>1 MR. DISKANT: If we can bring up for the witness only</p> <p>2 what has been marked as Government Exhibit 106-A.</p> <p>3 Q. Mr. Bowen, do you recognize this chain?</p> <p>4 A. Yes.</p> <p>5 Q. It's between you and Coach Pitino?</p> <p>6 A. Yes, it is.</p> <p>7 Q. On the same date, May 24, 2017?</p> <p>8 A. Yes.</p> <p>9 MR. DISKANT: The government offers Government Exhibit</p> <p>10 106-A.</p> <p>11 THE COURT: Received.</p> <p>12 (Government's Exhibit 106-A received in evidence)</p> <p>13 MR. DISKANT: With the Court's permission, if we could</p> <p>14 publish that, Ms. Lee.</p> <p>15 THE COURT: Yes.</p> <p>16 Q. Mr. Bowen, this is you on the right and Coach Pitino on the</p> <p>17 left?</p> <p>18 A. Yes.</p> <p>19 Q. And you write, "Coach, are you available to talk to Tugs</p> <p>20 right quick?"</p> <p>21 A. Yes.</p> <p>22 Q. And "Brian, we call him Tugs," you're referring to your</p> <p>23 son?</p> <p>24 A. Yes.</p> <p>25 Q. To your knowledge, did Coach Pitino and your son speak by</p>	<p>IA48GAT5 Bowen Senior - Direct Page 571</p> <p>1 Q. Do you remember what day of the week that was?</p> <p>2 A. Monday. I'm pretty sure it was a Monday.</p> <p>3 MR. DISKANT: At this time, the government would</p> <p>4 offer -- we haven't documented it, but pursuant to a</p> <p>5 stipulation between the parties, what has been marked for</p> <p>6 identification as Government Exhibit 58 and offer as an aid to</p> <p>7 the jury Government Exhibit 58T.</p> <p>8 THE COURT: Hearing no objection, 58 is received, 58T</p> <p>9 as well.</p> <p>10 (Government's Exhibits 58 and 58T received in</p> <p>11 evidence)</p> <p>12 THE COURT: Members of the jury, you will remember</p> <p>13 it's the audio recording that is the evidence. The transcript</p> <p>14 is only an aid to you in listening.</p> <p>15 MR. DISKANT: If the Court would direct the jurors,</p> <p>16 they should have a transcript binder.</p> <p>17 THE COURT: Yes. You should have that binder, and</p> <p>18 Government Exhibit 58T should be in it.</p> <p>19 MR. DISKANT: It will also be on your monitors, if</p> <p>20 that is easier for you.</p> <p>21 Ms. Lee, if we could publish that when you have a</p> <p>22 moment.</p> <p>23 THE COURT: Are we all set?</p> <p>24 MR. DISKANT: We can come back to this, Judge.</p> <p>25 THE COURT: The stipulation covers the attribution?</p>

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<p>IA98GAT2 Bowen Senior - Direct Page 620</p> <p>1 Senior and Christian Dawkins, dated August 16, 2017, and offer 2 as an aid to the jury Government Exhibit 51T, which is a 3 transcript of that call. 4 THE COURT: Received. 5 MR. DISKANT: With the court's permission we could 6 publish the transcript, and I believe the jurors should have 7 copies of it in their binder. 8 THE COURT: Turn to Government Exhibit 51T, members of 9 the jury. Same instruction as before with respect to the 10 transcript and the recording. 11 (Government's Exhibits 51 and 51T received in 12 evidence) 13 (Audio played) 14 BY MR. DISKANT: 15 Q. Mr. Bowen, do you recognize the voices on the recording? 16 A. Yes. 17 Q. Who do you recognize them to be? 18 A. Myself and Christian. 19 Q. At the time of this call did you know you were being 20 recorded? 21 A. No. 22 Q. For this call were you using your regular phone or your bat 23 phone? 24 A. Regular phone. 25 Q. When you and Mr. Dawkins would talk about money on your</p>	<p>IA98GAT2 Bowen Senior - Direct Page 622</p> <p>1 15, after he says, "How am I going to get this shit," two lines 2 below you say, "I'm going to call you on my other phone." 3 Do you see that? 4 A. Yes. 5 Q. What are you referring to. 6 A. The bat phone. 7 MR. DISKANT: Ms. Lee, if we can play the second clip 8 of that call which begins on page 5 of the transcript. 9 (Audio played) 10 BY MR. DISKANT: 11 Q. Mr. Bowen you and Mr. Dawkins both used a phrase "one and 12 done." 13 What does that mean? 14 A. That's going to college for one year and then going to the 15 pros the next year. 16 Q. When you said Tugs can be one and done, what did you mean 17 by that? 18 A. He can go to school for one year and then get drafted. 19 It's possible. 20 Q. I want to turn back to Adidas and the \$100,000. Remind us, 21 were you expecting to receive all of that money at once or in 22 installments? 23 A. In installments. 24 Q. How many installments? 25 A. Four.</p>
<p>IA98GAT2 Bowen Senior - Direct Page 621</p> <p>1 regular phone, would you use the term money typically? 2 A. No. 3 Q. How would you typically describe things like money when 4 using your regular phone? 5 A. Shit or just slang words. 6 Q. Did you have conversations using those kind of slang words 7 on more than one occasion with Mr. Dawkins? 8 A. Say that again. 9 Q. Did you have conversations using that type of slang on more 10 than one occasion with Mr. Dawkins? 11 A. Yes. 12 Q. Focusing your attention on the portion of the call we just 13 listened to, when Mr. Dawkins said to you, "How am I going to 14 get you this shit," did you understand what he was saying? 15 A. Yes. 16 Q. What did you understand him to be saying? 17 A. How he was going to get me some money. 18 MR. DISKANT: Ms. Lee, if we can continue playing the 19 call. 20 (Audio played) 21 BY MR. DISKANT: 22 Q. Mr. Bowen, in that portion of the call we just listened to, 23 what are you and Mr. Dawkins discussing? 24 A. The \$2,000. 25 Q. Turning back to page 1 for just a moment, on lines 14 and</p>	<p>IA98GAT2 Bowen Senior - Direct Page 623</p> <p>1 Q. Of how much? 2 A. 25,000. 3 Q. Did there come a point when you received the first 4 installment? 5 A. Yes. 6 Q. When, approximately, was that? 7 A. In July. 8 Q. Where did you receive it? 9 A. In New Jersey. 10 Q. Who did you receive it from? 11 A. Munish Sood. 12 Q. Who is Munish Sood? 13 A. He is like business partner of Christian's, like a money 14 guy, I guess. 15 MR. DISKANT: At this time the government would offer 16 and seek to publish Government Exhibit 23, which is a recording 17 of a call between Brian Bowen and Christian Dawkins, dated July 18 7, 2017, and offer as an aid to the jury Government Exhibit 19 23T. 20 THE COURT: They will be received. The same 21 instruction with the transcript and tape. 22 MR. DISKANT: The jury should have a copy of this 23 transcript in their binder, but we will have it on their 24 screen. 25 THE COURT: Please turn to Government Exhibit 23T.</p>

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<p>IA98GAT2 Bowen Senior - Direct Page 624</p> <p>1 (Government's Exhibits 23 and 23T received in 2 evidence) 3 MR. DISKANT: Ms. Lee, if we can play the first clip 4 which begins on page 1. 5 (Audio played) 6 MR. DISKANT: Ms. Lee, if we can play the second clip 7 which begins on page 6 of the transcript at line 13. 8 (Audio played) 9 MR. DISKANT: Can we pause here. 10 BY MR. DISKANT: 11 Q. Mr. Bowen, during this call were you using your regular 12 phone or your bat phone? 13 A. Regular phone. 14 Q. When Mr. Dawkins says to you, "What is your plans for being 15 able to get something," did you understand what he meant? 16 A. Yes. 17 Q. What did you understand him to be asking? 18 A. How could he get me, you know, money, some of the money. 19 MR. DISKANT: Ms. Lee, can we keep going. 20 (Audio played) 21 MR. DISKANT: Ms. Lee, if we can play the final clip 22 of this call which begins on page 12, line 19. 23 (Audio played) 24 BY MR. DISKANT: 25 Q. Mr. Bowen, if we can go back to page 13 of the transcript</p>	<p>IA98GAT2 Bowen Senior - Direct Page 626</p> <p>1 THE COURT: Received. 2 (Government's Exhibit 106D-18 received in evidence) 3 MR. DISKANT: With the court's permission if we can 4 publish that, Ms. Lee. 5 THE COURT: Yes. 6 BY MR. DISKANT: 7 Q. So starting at the top, Mr. Bowen, this is Mr. Dawkins in 8 the gray on the left and you in the blue on the right, correct? 9 A. Yes. 10 Q. "When are you going? 11 "Probably today at 1." 12 MR. DISKANT: Ms. Lee, if we can scroll down a little 13 bit. 14 Q. Mr. Dawkins asks you what airport you would be flying into. 15 You respond, "LaGuardia. I'm going to call you in a 16 minute now. The price doubled." 17 Do you see that? 18 A. Yes. 19 Q. Did you have a phone conversation with Mr. Dawkins that 20 morning? 21 A. Yes. 22 MR. DISKANT: The government would offer Government 23 Exhibit 25, which is a call between Brian Bowen and Christian 24 Dawkins that morning, July 11, 2017, and as an aid to the jury 25 what has been marked as Government Exhibit 25T.</p>
<p>IA98GAT2 Bowen Senior - Direct Page 625</p> <p>1 for just a minute. 2 In this conversation you and Mr. Dawkins talk about 3 you traveling to New York. Why did you need to travel to New 4 York? 5 A. To meet Munish. 6 Q. And Mr. Dawkins says to you, at line 4, "He may have 25 on 7 him right now." 8 How much money were you expecting to receive in New 9 York? 10 A. 25,000. 11 Q. Did you make plans to travel to New York? 12 A. Yes, I did. 13 Q. How did you get there? 14 A. A flight. 15 MR. DISKANT: If we can bring up for the witness only 16 what has been marked for identification as Government Exhibit 17 106D-18. 18 Q. Mr. Bowen, you should have a hard copy there in front of 19 you if that is easier. 20 Mr. Bowen, do you recognize this chain? 21 A. Yes, I do. 22 Q. This is a chain between you and Mr. Dawkins dated July 11, 23 2017? 24 A. Yes. 25 MR. DISKANT: Government offers 106D-18.</p>	<p>IA98GAT2 Bowen Senior - Direct Page 627</p> <p>1 THE COURT: Both received. 2 Same instruction, members of the jury. 3 Turn to Government Exhibit 25T in your books, if you 4 wish. 5 (Government's Exhibits 25 and 25T received in 6 evidence) 7 (Audio played) 8 BY MR. DISKANT: 9 Q. Mr. Bowen, in this call Mr. Dawkins says, "You're about to 10 get some money, you're about to get some racks." 11 What was the purpose for your trip to New York? 12 A. To pick up money, 25,000. 13 Q. Down below, at lines 20 through 22, you say -- actually 14 starting a little bit above that, you say at line 14, "Let me 15 use my other phone." 16 Then down below that, "I don't trust this phone." 17 Mr. Bowen, at the time this call was made, did you 18 know your call was being recorded? 19 A. No. 20 Q. At the time you said "I don't trust this phone," did you 21 believe that the NCAA had the ability to intercept your calls? 22 A. No. 23 Q. Did you believe the University of Louisville did? 24 A. No. 25 Q. Did you make it to New York?</p>

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<p>la9dgt3 Bowen Senior - cross Page 640</p> <p>1 A. I played, yes.</p> <p>2 Q. And your primary goal for your son that you worked with</p> <p>3 from the point where he was young and small was that he would</p> <p>4 go where he could find the best basketball fit, is that</p> <p>5 correct?</p> <p>6 A. He wanted to play college basketball, of course.</p> <p>7 Q. I'll ask that question a little bit easier for two</p> <p>8 basketball guys to understand.</p> <p>9 You wanted your son to go somewhere he was going to be</p> <p>10 a guard, didn't you, at six-foot-seven?</p> <p>11 A. That would have worked out well for him, of course.</p> <p>12 Q. Because that's what he would been playing in the NBA,</p> <p>13 right?</p> <p>14 A. You never know when you get to the NBA how they put you.</p> <p>15 That's what I wanted for him, but I don't know what the NBA</p> <p>16 would do.</p> <p>17 Q. You didn't want him to go to a situation in college where</p> <p>18 they might put him at the forward position, did you?</p> <p>19 A. No. Of course not.</p> <p>20 Q. And by best basketball fit, as you stated, that meant play</p> <p>21 guard and not have a lot of other guys playing his position at</p> <p>22 whatever school he would go to, correct?</p> <p>23 A. I wanted him to have opportunities, sure.</p> <p>24 Q. Well, you used the term "logjam" if I recall, did you not?</p> <p>25 A. I don't recall that.</p>	<p>la9dgt3 Bowen Senior - cross Page 642</p> <p>1 you money to cause your son to go to a basketball school where</p> <p>2 it wouldn't be a good fit for him?</p> <p>3 THE COURT: Well, you have asked two different</p> <p>4 questions now.</p> <p>5 MR. HANEY: I am trying to clarify the question for</p> <p>6 the government and the witness, your Honor. If you want, I can</p> <p>7 rephrase the question.</p> <p>8 THE COURT: Please do.</p> <p>9 MR. HANEY: Thank you, your Honor.</p> <p>10 BY MR. HANEY:</p> <p>11 Q. Mr. Bowen, would you agree there is nobody who could have</p> <p>12 offered you money to influence your son to go to a situation</p> <p>13 where it would have been a bad basketball fit for him?</p> <p>14 THE COURT: The problem with the question, Mr. Haney,</p> <p>15 is this. Somebody could have offered him money to become a</p> <p>16 playboy bunny but it probably wouldn't have worked out. You</p> <p>17 are just phrasing it in terms of could somebody have offered</p> <p>18 him money. That is not what you are getting at.</p> <p>19 MR. HANEY: Would you have made -- may I ask another</p> <p>20 question, your Honor?</p> <p>21 THE COURT: Of course.</p> <p>22 MR. HANEY: Thank you, sir.</p> <p>23 Q. Mr. Bowen, you would have not made a decision, would you</p> <p>24 have, based on money that would have resulted in your son being</p> <p>25 in a bad basketball situation?</p>
<p>la9dgt3 Bowen Senior - cross Page 641</p> <p>1 Q. If you say log-jammed at a position, that means there are</p> <p>2 too many guys playing that position at a particular university;</p> <p>3 is that a fair statement?</p> <p>4 A. Yes.</p> <p>5 Q. And you mentioned that at the University of Arizona that</p> <p>6 certain circumstances occurred that caused that situation to be</p> <p>7 a logjam of guards; do you remember that?</p> <p>8 A. Vaguely. I vaguely remember it.</p> <p>9 Q. Well, is that true or not? I don't want to put words in</p> <p>10 your mouth sir.</p> <p>11 A. I can't say verbatim, but yes.</p> <p>12 Q. Thank you. Would you agree with me, Mr. Bowen, that nobody</p> <p>13 could have offered you money to influence your son to go to a</p> <p>14 situation that would have been a bad basketball fit for him,</p> <p>15 would they have?</p> <p>16 MR. DISKANT: I don't understand that question.</p> <p>17 A. State that again. I don't understand.</p> <p>18 THE COURT: Sustained.</p> <p>19 Q. Would you agree, Mr. Bowen, that nobody could have</p> <p>20 influenced your decision with respect to your son to go to a</p> <p>21 situation where there would be a bad basketball fit?</p> <p>22 MR. DISKANT: The same objection.</p> <p>23 THE COURT: Overruled.</p> <p>24 A. OK. Say that again. I'm sorry.</p> <p>25 Q. Would you agree nobody could have influenced you or offered</p>	<p>la9dgt3 Bowen Senior - cross Page 643</p> <p>1 A. You said I wouldn't have made a decision?</p> <p>2 Q. You would not have advised your son to go to that type of a</p> <p>3 situation, correct, based on money?</p> <p>4 A. Of course.</p> <p>5 Q. Of course not, right?</p> <p>6 A. Not, correct.</p> <p>7 Q. And your son ended up at the University of Louisville</p> <p>8 because you two felt there was a good basketball fit at</p> <p>9 Louisville, correct?</p> <p>10 A. It was a good basketball fit, yes.</p> <p>11 Q. And you all ended up at Louisville because that's where</p> <p>12 your son wanted to go to school, correct?</p> <p>13 A. Yes.</p> <p>14 Q. So neither you nor Ms. Malecke nor Christian Dawkins ever</p> <p>15 made Tugs Bowen go to Louisville, did you?</p> <p>16 A. I mean, I never made him but, I mean, I'm his father.</p> <p>17 Whatever he does, I'm sure I influenced him.</p> <p>18 Q. But it was his choice to go there; is that right or wrong?</p> <p>19 A. Yes, it's his choice, but I'm sure I had influence with</p> <p>20 him.</p> <p>21 Q. And when Tugs made that decision to go to Louisville, you</p> <p>22 felt that it was a good decision in picking the University of</p> <p>23 Louisville, didn't you?</p> <p>24 A. I agreed with it.</p> <p>25 Q. And there was no doubt that you believed that University of</p>

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<p>1 We will need to set them up as a vendor. Do you need the</p> <p>2 forms?"</p> <p>3 Ms. Lee, if we can publish Government Exhibit 1075.</p> <p>4 Highlight the top two-thirds of the e-mail.</p> <p>5 Starting at the bottom, Jim Gatto to Olivia Guidera,</p> <p>6 Thursday, July, 6, 2017. "Did we combine two invoices for</p> <p>7 them? Didn't we have a 25k and another for 5k?"</p> <p>8 Then the response above: "Merl combined the two into</p> <p>9 one invoice."</p> <p>10 BY MR. DISKANT:</p> <p>11 Q. Ms. Harsen, you testified that you became involved in</p> <p>12 handling a Karolina Khaos invoice towards the end of July 2017?</p> <p>13 A. Correct.</p> <p>14 MR. DISKANT: Ms. Lee, can we bring up what is in</p> <p>15 evidence as Government Exhibit 1079.</p> <p>16 Starting at the top, this is an e-mail from Trevor</p> <p>17 Ames to Jim Gatto, Wednesday, July 26, 2017. "Sent it in</p> <p>18 today. They should be seeing payment soon."</p> <p>19 Ms. Lee, can you go to the second page?</p> <p>20 Q. Ms. Harsen, is this the same invoice we were looking at a</p> <p>21 little bit earlier with your signature on it?</p> <p>22 A. Yes.</p> <p>23 Q. Remind us, who else has signed this?</p> <p>24 A. Jim Gatto.</p> <p>25 Q. What, if anything, would you have done before signing this</p>	<p>1 A. There is.</p> <p>2 Q. Is that the series of numbers above Mr. Gatto's signature?</p> <p>3 A. Yes.</p> <p>4 Q. Are you familiar with this particular budget code?</p> <p>5 A. Yes.</p> <p>6 Q. Who is the budget manager or the budget owner for this</p> <p>7 budget code?</p> <p>8 A. Jim Gatto.</p> <p>9 Q. If supporting documentation explaining what the expense is</p> <p>10 for is required who, if anyone, at Adidas is required to</p> <p>11 request it?</p> <p>12 A. The budget owner, Jim Gatto.</p> <p>13 Q. Ms. Harsen, at the time that you signed this invoice,</p> <p>14 what, if anything, did you know about a scheme to use Adidas</p> <p>15 money to pay the family of a student-athlete named Brian Bowen?</p> <p>16 MR. MOORE: Objection.</p> <p>17 THE COURT: Overruled.</p> <p>18 A. I had no knowledge.</p> <p>19 Q. Had you received an invoice that indicated that a payment</p> <p>20 was intended to be given to the family of a student-athlete in</p> <p>21 connection with his decision to attend an Adidas-sponsored</p> <p>22 school, would you have signed it?</p> <p>23 A. No.</p> <p>24 Q. What, if anything, would you have done?</p> <p>25 A. I most likely would have escalated it to my manager.</p>
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<p>1 particular document?</p> <p>2 A. I would have made sure that the budget owner had signed off</p> <p>3 on it, that there was a vendor number, that there was a budget</p> <p>4 code, and that it was an appropriate budget code.</p> <p>5 Q. So let's talk about each of those.</p> <p>6 You said you would have made sure that the budget</p> <p>7 owner had signed off. Is the budget owner here Jim Gatto?</p> <p>8 A. Yes.</p> <p>9 Q. What is the significance, if any, to you that the budget</p> <p>10 owner has signed off?</p> <p>11 A. They just validate that it's an invoice that needs to be</p> <p>12 paid by Adidas.</p> <p>13 Q. In the course of your job, do you have any firsthand</p> <p>14 knowledge of what this particular payment is for?</p> <p>15 A. I do not other than what is listed in the description.</p> <p>16 Q. So July travel team expenses?</p> <p>17 A. Correct.</p> <p>18 Q. Do you have any firsthand knowledge of what those</p> <p>19 particular expenses were?</p> <p>20 A. No.</p> <p>21 Q. What, if anyone, at Adidas would be responsible for</p> <p>22 verifying that information?</p> <p>23 A. On this invoice it would be Jim Gatto.</p> <p>24 Q. The next thing is you have talked at some length about</p> <p>25 budget codes today. Is there a budget code on this document?</p>	<p>1 Q. Why?</p> <p>2 A. Because I recognize that it's a violation of NCAA</p> <p>3 regulation and Adidas policy.</p> <p>4 Q. In preparation for your testimony today, have you reviewed</p> <p>5 other invoices paid by Adidas to the Karolina Khaos?</p> <p>6 A. Yes.</p> <p>7 MR. DISKANT: Ms. Lee, if we can bring up for the</p> <p>8 witness only what has been marked for identification as</p> <p>9 Government Exhibit 1004.</p> <p>10 Q. Ms. Harsen, do you recognize this document?</p> <p>11 A. Yes.</p> <p>12 Q. Is this another invoice submitted to Adidas by the Karolina</p> <p>13 Khaos?</p> <p>14 A. It is.</p> <p>15 MR. DISKANT: The government offers 1004.</p> <p>16 MR. MOORE: No objection.</p> <p>17 THE COURT: Received.</p> <p>18 (Government's Exhibit 1004 received in evidence)</p> <p>19 MR. DISKANT: At this time, the government would like</p> <p>20 to play a portion of a call, which is Government Exhibit 12,</p> <p>21 and offer as an aid to the jury Government Exhibit 12T, which</p> <p>22 the jurors should have in their binders.</p> <p>23 THE COURT: Is this in evidence?</p> <p>24 MR. DISKANT: I am offering it.</p> <p>25 MR. MOORE: No objection.</p>